

REMARKS/ARGUMENTS

This Amendment is being filed in response to the outstanding Office Action dated August 15, 2003 in which the Examiner rejected claims 1-6, and 8-24, all of the claims, currently pending in the subject Application. Applicant notes with appreciation the opportunity to discuss the subject application with the Examiner in person on November 10, 2003. A copy of the Interview Summary issued by the Examiner is attached hereto as Exhibit A.

Rejection under 35 U.S.C. § 103(a) over Lewis et al., U.S. Patent No. 6,233,565.

The Examiner contends that Lewis teaches “disabling the purchaser identifier (Col. 3, lines 38-42) in response to a fraud,” but concedes that Lewis does not teach disabling the purchaser identifier in response to “a specific fraud such as the delivery data associated with a particular purchaser identifier”. Nevertheless, the Examiner exerts that “it would have been obvious to one of ordinary skill in the art that such a particular fraud detection measure would have constantly been monitored in the system of Lewis et al. because it has been known that hackers or thieves usually perform this type of fraud by having items or goods which they did not purchase or pay for being delivered at their desired address.” Thus, the Examiner concedes that Lewis does not teach disabling a purchaser identifier that can be used to purchase various goods or services in response to a change or attempted change in the stored delivery address as set forth in independent claims 1, 14, and 17, as amended.

Applicant submits that Lewis does not teach or suggest the processing system or method of the claims, as amended, and therefore cannot render said claims obvious. The Examiner’s position as articulated during the Interview and in the outstanding Office Action, appears to be that Lewis’ description of a general fraud detection measure would render obvious a system that utilized a purchaser identifier that could be used to purchase goods online without exposing the purchaser’s payment data, such as a credit card or debit card number, to the merchant, and that is and inextricably linked to pre-stored delivery addresses so that any change or attempt to change

the pre-stored delivery addresses would cause the purchaser identifier to become unusable. In such a system, for instance, even if a consumer's purchaser identifier is stolen, a potential thief would have no incentive to use the purchaser identifier because the thief could not change the pre-stored delivery addresses without rendering unusable the purchaser identifier. Thus, even if the thief purchased goods, See Casper Dec. ¶21., the goods would be delivered to the account owner's prestored delivery address and the account owner would quickly recognize the fraud and have an opportunity to take action.

As such, the claims, as amended, present a novel online purchase processing system that (1) reduces the risk that a credit number might be stolen or compromised by creating a secure third party entity to hold consumer's credit cards and deliver only purchase authorizations and pre-stored delivery addresses to merchants when a purchase request is received, and (2) reduces the ability of a thief to use a stolen consumer identifier, such as a pin number, by limiting delivery of the purchased goods or services to only prestored delivery addresses.

In contrast to the claims of the present application, as amended, Lewis discloses preventing fraudulent transactions by employing complex cryptography and encryption methods to attempt to provide a secure environment for the purchasing of mail postage and like services. Thus, Lewis' approach is entirely different from the approach embodied in the claims of the present application, as amended. See Casper Dec. ¶¶ 25-29. Moreover, Lewis neither teaches nor suggests linking an identifier for a purchaser to one or more specific, prestored delivery addresses to be used for the delivery of purchased goods and services. In fact, Lewis fails to disclose the use of a purchaser identifier altogether, and instead describes a system that utilizes specific, downloaded software to identify a user of the system. See Lewis, col. 3, lines 4-10; col. 11, lines 46-63; col. 12, lines 11-20. In contrast, the claims of the present application define a system that requires no such software and utilizes a purchaser identifier, which is an alphanumeric code, so that the purchaser can access and make purchases from the online stores

of any merchant using a public network, such as the Internet, without the need to use specific software.

Moreover, in contrast to the claims, as amended, of present application, Lewis describes only an initial registration procedure in which the user enters certain preliminary information. See Lewis, col. 11, lines 13-63. Lewis, however, makes no mention that the shipping address will be inextricably linked to a specific purchaser identifier or that the shipping address cannot be changed without disabling the purchasing system, and specifically the purchaser identifier. Instead, as mentioned above, Lewis employs complex cryptography and encryption methods to ensure that postage that is printed at the user end and cannot be copied by potential hackers of the system. Lewis' disclosure of such cryptography methods teaches away from the system of the present invention, which attempts to eliminate the need for complex encryption systems by inextricably linking a purchaser identifier to specific, prestored delivery addresses.

Lewis is further distinguishable from the claims of the present application, because in the Lewis system the purchaser utilizes credit cards or other suitable forms of payment to purchase the postage from the ultimate seller. For example, Lewis states the following:

after authentication is completed, the user then purchases the ultimate goods or services, postage in the case of the preferred embodiment, utilizing credit cards, ACH debit cards or checks as the method of payment, and electronically confirming the sale.

See Lewis, col. 3, lines 15-19; col. 12, lines 11-20. Thus, in contrast to the claims of the present application, the payment information of the purchaser in Lewis is exposed to the seller of the ultimate goods or services.

Although fraud detection in on-line purchasing systems is known to those skilled in the art, those fraud detection measures employ various cryptography or encryption techniques. Such systems, including the system described in Lewis, do not require that the purchaser utilize a set of prestored delivery addresses that are inextricably linked to the purchaser identifier to ensure

that even if the purchaser identifier is stolen, goods can only be delivered to the specified delivery addresses. Indeed, in typical electronic commerce systems, the ability to change delivery addresses viewed as being advantageous so that the purchaser can ship the goods to any desired address. Thus, if the purchaser desires to send someone a gift, then the purchaser can easily do this by changing. The claims of the present application claim an entirely opposite approach where the purchaser is not given the option to change the delivery addresses so that the incentive for a thief to steal the purchaser identifier is minimized. Thus, Lewis disclosure of complex cryptography methods to attempts to prevent fraudulent transactions teaches away from the system of the present claims, which does not require such techniques. Applicant, therefore, respectfully submits that the claims 1-6 and 8-19 are allowable as amended over the Lewis reference.

Rejection under 35 U.S.C. § 103(a) over Egendorf, U.S. Patent No. 6,188,994 in view of Lewis et al., U.S. Patent No. 6,233,565.

The Examiner also rejected claims 20-21 over U.S. Patent No. 6,188,994 to Egendorf and claims 22-24 as being obvious over Egendorf in view of Lewis. With respect to these rejections, the Examiner concedes that Egendorf does not teach or suggest the feature wherein “once the secure consumer account is established by the consumer and the unique customer identifier is assigned to the customer account, the at least one delivery address associated with the unique consumer identifier cannot be changed without causing the unique consumer identifier to be disabled”. Nevertheless, the Examiner asserts that it would have been obvious to prevent a purchaser from changing the delivery address in order to prevent intruders from tangling with the purchasing system.

Egendorf, however, includes no motivation to include a purchaser identifier that is inextricably linked to at least one delivery address as is set forth in the claims, as amended. In fact, Egendorf teaches away from the present claims in so far as Egendorf teaches only that

during the course of making a purchase, the means of delivery of the goods or service will be established. Thus, there is no requirement in Egendorf that the delivery address be prestored and inextricably linked to a purchaser identifier. In contrast, in the system of Egendorf, a purchaser will have the opportunity to specify any delivery address that the purchaser desires at the time of purchase therefore subjecting the system to potential fraudulent transactions made by thieves who have stolen the consumer's identifier. Thus, Egendorf teaches away from the system of the present claims and, therefore, contains no motivation to a person of skill in the art to modify Egendorf to include the features of claims 19-24.

There Has Been A Long Felt, But Unresolved, Need In The Industry

As set forth in Mr. Casper's declaration, credit card or debit card fraud, e.g., the theft and use of credit card and debit card numbers to make fraudulent purchases, has been an industry wide problem for both merchants and consumer for many years. Casper Dec. ¶4. Credit/debit card fraud costs cardholders and issuers hundreds of millions of dollars each year. Casper Dec. ¶5.

The emergence of the Internet and online purchasing has only exacerbated the problem of credit/debit card fraud, because the purchaser is not present at the point of sale and the merchant must rely solely on the credit/debit card number transmitted to its system. See Casper Ex. 3 (“It's much easier to commit fraud online because you're not authenticating the buyer.”). As such, credit/debit card fraudsters can use acquired numbers with virtual impunity. Casper Dec. ¶7. To date, despite attempts from credit card companies, banks, merchants, and even consumers, credit card fraud has grown in comparison to the rate of growth of e-commerce. Casper Dec. ¶8; Ex. 4, p. 1 (“While e-commerce has grown by nearly 74 percent in the past year, the amount of fraudulent transactions has grown even faster, jumping 114 percent.”). Moreover, credit card fraud online accounts for 6.2 percent of all transactions, while such fraud in the normal “brick-and-mortar” world accounts for only about 1 percent. Id.

Part of the problem with online purchasing using a credit card is that the transmission of credits cards over the Internet to merchants is very susceptible to credit card number theft either at the source (i.e., from the consumer's personal computer), during transmission over the Internet, or from the Merchant who may or may not be trustworthy. By way of example, several large web sites have been hacked and credit cards numbers and other personal information stolen. Casper Dec. ¶9. Even the U.S. Department of The Navy has been hacked and had the credit card numbers stolen. Id.

Thus, the ability for fraudsters to acquire credits cards used freely on the Internet is one of the main problems plaguing e-commerce. In addition, credit card fraudsters are aided by the fact that current online purchasing systems permit the shipment of goods to any desired location. This creates an enormous loophole in many systems designed to prevent such fraud. Casper Dec. ¶13. The foregoing makes clear that the problem of credit card and debit card fraud has existed for a long period of time and is as of yet, despite many attempts, unresolved. Moreover, the ability of fraudsters to easily obtain credit card numbers freely used for online purchases and then have fraudulent purchases delivered to the location of the fraudster's choice has cost both consumers and merchants millions of dollars each year, and have stunted the growth of Internet e-commerce as discussed below. Casper Dec. ¶14-18.

The foregoing studies and news articles indicate two distinct, but related, problems with current online purchasing systems. First, because most present systems still require entry of the actual credit/debit card number into a web site form, the number is subject to being stolen by a hacker either from the consumer or the merchant's database. Thus, there is a need for a system that permits online purchases to be made without use of the actual credit/debit card number being entered and transmitted via the Internet to a merchant for authorization. Casper Dec. ¶19. Second, once a credit/debit card number or other code used to make online purchases is stolen, there are no mechanisms currently in place to reduce the ability of the fraudster to make

successful fraudulent purchases with the stolen numbers or codes. This is because present systems permit the consumer to change the shipping address to any desired address. Thus, there is a need for a system that reduces a fraudster's ability to effectively use stolen purchasing numbers by linking the purchasing number to a pre-stored delivery address that cannot be changed. Casper Dec. ¶20.

The Present Invention As Set Forth In Claims 1, 14, 17, 20, and 22 Solves These Problems

Independent claims 1, 14, 17, 20, and 22 of the present application solves both of the above problems by (1) reducing the risk that a credit number might be stolen or compromised by creating a secure third party entity to hold consumer's credit cards and deliver only purchase authorizations and pre-stored delivery addresses to merchants when a purchase request is received, and (2) reducing the ability of a thief to use a stolen consumer identifier, such as a pin number, by limiting delivery of the purchased goods or services to only pre-stored delivery addresses. Casper Dec. ¶21. Thus, even if a consumer's unique consumer identifier for making purchases through the claimed system is stolen, the consumer identifier can only be used to make purchases that will be delivered to the pre-stored delivery addresses, thereby eliminating the thief's ability to make purchases and have the goods delivered to the location of the thief's choice. Id. The claimed invention, therefore, removes a major loophole in present systems, i.e., the ability to ship to any location. Id. at ¶22.

Moreover, as set forth in the claims of the present invention, the delivery address associated with a particular consumer identifier that has been compromised cannot be changed without disabling (e.g., rendering unusable) the consumer identifier that was compromised. This feature also frustrates the ability of thieves from using any acquired consumer identifiers. Casper Dec. ¶23.

Accordingly, the present invention as embodied in the claims comprises a system that combines a secure purchase processing system with the feature of permitting delivery of

purchased goods to only pre-stored delivery address to thereby directly address the problem of online credit and debit card fraud and provides a solution thereto. Casper Dec. ¶24. The claimed system reduces the ability of thieves to both steal credit and debit card numbers and compromise alternative consumer identifiers by permitting delivery of purchased goods to only to pre-stored delivery addresses. Id.

Applicant has made a diligent effort to place the Application in condition for allowance and respectfully submits that claims 1-6 and 8-24 in light of the amendments and arguments set forth above are in condition for immediate allowance. Consequently, if the Examiner cannot issue an immediate allowance of the present application, the Examiner is respectfully requested to contact the undersigned attorney to discuss the outstanding issues.

Applicant authorizes the U.S. Patent Office to charge any new and additional fees or charges, including any fees for a petition for an extension of time, to Deposit Account No. 19-4709, if necessary.

Respectfully submitted,

By: _____

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Interview Summary

Application No.	Applicant(s)	
09/521,636	CASPER, ANDREW	
Examiner	Art Unit	
Frantzy Poinvil	3628	

All participants (applicant, applicant's representative, PTO personnel):

(1) Frantzy Poinvil.

(3) _____

(2) Richard Eskew.

(4) _____

Date of Interview: 10 November 2003.

Type: a) Telephonic b) Video Conference
c) Personal [copy given to: 1) applicant

2) applicant's representative]

Exhibit shown or demonstration conducted: d) Yes

e) No.

If Yes, brief description: _____

Claim(s) discussed: 1-6 and 8-24.

Identification of prior art discussed: Lewis and Egendorf.

Agreement with respect to the claims f) was reached. g) was not reached. h) N/A.

Substance of Interview including description of the general nature of what was agreed to if an agreement was reached, or any other comments: Applicant's representative has clearly explained the invention and argues that Lewis or Egendorf taken alone or in combination fails to teach or suggest features of a monitoring of a change in a delivery address whereby the disable will disable the purchaser identifier in response to a change therein. The Examiner will reconsider the applied references upon a subsequently filed amendment.

(A fuller description, if necessary, and a copy of the amendments which the examiner agreed would render the claims allowable, if available, must be attached. Also, where no copy of the amendments that would render the claims allowable is available, a summary thereof must be attached.)

THE FORMAL WRITTEN REPLY TO THE LAST OFFICE ACTION MUST INCLUDE THE SUBSTANCE OF THE INTERVIEW. (See MPEP Section 713.04). If a reply to the last Office action has already been filed, APPLICANT IS GIVEN ONE MONTH FROM THIS INTERVIEW DATE, OR THE MAILING DATE OF THIS INTERVIEW SUMMARY FORM, WHICHEVER IS LATER, TO FILE A STATEMENT OF THE SUBSTANCE OF THE INTERVIEW. See Summary of Record of Interview requirements on reverse side or on attached sheet.

Examiner Note: You must sign this form unless it is an Attachment to a signed Office action.

Examiner's signature, if required

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	09/521,636	CASPER, ANDREW	
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Claim(s) discussed: 1-6 and 8-24.

Identification of prior art discussed: Lewis and Egendorf.

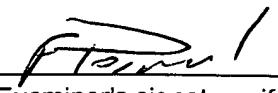
Agreement with respect to the claims f) was reached. g) was not reached. h) N/A.

Substance of Interview including description of the general nature of what was agreed to if an agreement was reached, or any other comments: Applicant's representative has clearly explained the invention and argues that Lewis or Egendorf taken alone or in combination fails to teach or suggest features of a monitoring of a change in a delivery address whereby the disable will disable the purchaser identifier in response to a change therein. The Examiner will reconsider the applied references upon a subsequently filed amendment.

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Examiner's signature, if required

Summary of Record of Interview Requirements

Manual of Patent Examining Procedure (MPEP), Section 713.04, Substance of Interview Must be Made of Record

A complete written statement as to the substance of any face-to-face, video conference, or telephone interview with regard to an application must be made of record in the application whether or not an agreement with the examiner was reached at the interview.

Title 37 Code of Federal Regulations (CFR) § 1.133 Interviews

Paragraph (b)

In every instance where reconsideration is requested in view of an interview with an examiner, a complete written statement of the reasons presented at the interview as warranting favorable action must be filed by the applicant. An interview does not remove the necessity for reply to Office action as specified in §§ 1.111, 1.135. (35 U.S.C. 132)

37 CFR §1.2 Business to be transacted in writing.

All business with the Patent or Trademark Office should be transacted in writing. The personal attendance of applicants or their attorneys or agents at the Patent and Trademark Office is unnecessary. The action of the Patent and Trademark Office will be based exclusively on the written record in the Office. No attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt.

The action of the Patent and Trademark Office cannot be based exclusively on the written record in the Office if that record is itself incomplete through the failure to record the substance of interviews.

It is the responsibility of the applicant or the attorney or agent to make the substance of an interview of record in the application file, unless the examiner indicates he or she will do so. It is the examiner's responsibility to see that such a record is made and to correct material inaccuracies which bear directly on the question of patentability.

Examiners must complete an Interview Summary Form for each interview held where a matter of substance has been discussed during the interview by checking the appropriate boxes and filling in the blanks. Discussions regarding only procedural matters, directed solely to restriction requirements for which interview recordation is otherwise provided for in Section 812.01 of the Manual of Patent Examining Procedure, or pointing out typographical errors or unreadable script in Office actions or the like, are excluded from the interview recordation procedures below. Where the substance of an interview is completely recorded in an Examiners Amendment, no separate Interview Summary Record is required.

The Interview Summary Form shall be given an appropriate Paper No., placed in the right hand portion of the file, and listed on the "Contents" section of the file wrapper. In a personal interview, a duplicate of the Form is given to the applicant (or attorney or agent) at the conclusion of the interview. In the case of a telephone or video-conference interview, the copy is mailed to the applicant's correspondence address either with or prior to the next official communication. If additional correspondence from the examiner is not likely before an allowance or if other circumstances dictate, the Form should be mailed promptly after the interview rather than with the next official communication.

The Form provides for recordation of the following information:

- Application Number (Series Code and Serial Number)
- Name of applicant
- Name of examiner
- Date of interview
- Type of interview (telephonic, video-conference, or personal)
- Name of participant(s) (applicant, attorney or agent, examiner, other PTO personnel, etc.)
- An indication whether or not an exhibit was shown or a demonstration conducted
- An identification of the specific prior art discussed
- An indication whether an agreement was reached and if so, a description of the general nature of the agreement (may be by attachment of a copy of amendments or claims agreed as being allowable). Note: Agreement as to allowability is tentative and does not restrict further action by the examiner to the contrary.
- The signature of the examiner who conducted the interview (if Form is not an attachment to a signed Office action)

It is desirable that the examiner orally remind the applicant of his or her obligation to record the substance of the interview of each case. It should be noted, however, that the Interview Summary Form will not normally be considered a complete and proper recordation of the interview unless it includes, or is supplemented by the applicant or the examiner to include, all of the applicable items required below concerning the substance of the interview.

A complete and proper recordation of the substance of any interview should include at least the following applicable items:

- 1) A brief description of the nature of any exhibit shown or any demonstration conducted,
- 2) an identification of the claims discussed,
- 3) an identification of the specific prior art discussed,
- 4) an identification of the principal proposed amendments of a substantive nature discussed, unless these are already described on the Interview Summary Form completed by the Examiner,
- 5) a brief identification of the general thrust of the principal arguments presented to the examiner,
(The identification of arguments need not be lengthy or elaborate. A verbatim or highly detailed description of the arguments is not required. The identification of the arguments is sufficient if the general nature or thrust of the principal arguments made to the examiner can be understood in the context of the application file. Of course, the applicant may desire to emphasize and fully describe those arguments which he or she feels were or might be persuasive to the examiner.)
- 6) a general indication of any other pertinent matters discussed, and
- 7) if appropriate, the general results or outcome of the interview unless already described in the Interview Summary Form completed by the examiner.

Examiners are expected to carefully review the applicant's record of the substance of an interview. If the record is not complete and accurate, the examiner will give the applicant an extendable one month time period to correct the record.

Examiner to Check for Accuracy

If the claims are allowable for other reasons of record, the examiner should send a letter setting forth the examiner's version of the statement attributed to him or her. If the record is complete and accurate, the examiner should place the indication, "Interview Record OK" on the paper recording the substance of the interview along with the date and the examiner's initials.